judgment. I have absolutely no information at my command to suspect that this judgment is faulty, this is any kind of....

SHRI NILOTPAL BASU: Initially the financing pattern was approved by the bank. ..*(Interruptions)*..

SHRI YASHWANT SINHA: When I am interrupted like this, I cannot answer.

SHRI NILOTPAL BASU: Then, why is this additional equity subscription?

SHRI YASHWANT SINHA: If this is the way you want to carry on, let us have a conversation outside the House. Sir, the simple point I am making is, ...*(Interruptions)*.

MR. CHAIRMAN: Let him reply, please.

SHRI YASHWANT SINHA: The all-India financial institutions have come to a certain judgment in regard to certain units in the private sector which might have, for various reasons, run into temporary problems. And if they have come to the conclusion, by looking at the debt-equity ratio, that if they contributed to the equity in various forms--it could be fully convertible debentures, it could be optionally fully convertible. ....*(Interruptions)*. Sir, this is not the way in which I can answer.

MR. CHAIRMAN: Please, let him speak.

SHRI YASHWANT SINHA: Sir, the simple point I am making is, once again, whether it should be debt or it should be equity, whether it should be this kind of equity or that kind of equity, is a judgment which must be left to be made by the financial institutions. And I must repeatedly assert that it is not the intention of the Government to substitute their judgment with our judgment.

As far as the second point about the public sector is concerned, I am not aware of a single case of a public sector undertaking which could have remained unnecessarily, unduly, pending with a financial institution. I have the figures here which suggest that the financial institutions have been as forthcoming to assist the public sector as they have been in the case of the private sector. *(Interruptions)*. There is absolutely no question of any doubt. *(Interruptions)*.

MR. CHAIRMAN: Next question. Mr. Solipeta Ramachandra Reddy.

Sub-Committee on Modernisation of Textile Industry

*223. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of TEXTILES be plesed to state:

(a) whether the Cabinet Committee on Economic Affairs has constituted a sub-committee to formulate Rs. 25,000 crore technology upgradation fund to modernise the textile industry;

(b) if so, whether the aforesaid sub-committee has submitted its report; and

(c) if so, the main recommendations of the sub-committee?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) to (c) The Cabinet Committee on Economic Affairs (CCEA) considered a proposal of Ministry of Textiles for launching of Technology Upgradation fund Scheme for textile and jute industries on 28.10.98 for modernisation and technological upgradation with a view to enhancing their viability and competitiveness. It was decided by the Committee that the matter be considered by a Group of Ministers (GOM) and that the recommendations be brought up before the CCEA. GOM has inter alia recommended that the proposals of Ministry of Textiles be approved on aspects like interest incentives to be provided, sectors eligible, nodal financial institutions etc. It has further

recommended that directions be given for early finalization of eligibility criteria and also that the scheme be launched with effect from 1.4.1999.

SHRI SOLIPETA RAMACHANDRA REDDY: Sir, the textile industry is passing through a grave crisis due to the relentless rise in the cost of production. It would be difficult for the textile industry to survive, in this age of competition without modernisation. The textile industry contributes 33 per cent of the total foreign exchange earnings. There is a need for computerised, modern, textile designs and use of environmentally approved dyes and controlling the pollution from the industry at the minimum level. From the reply, I find that the Government proposes to launch the Technology Upgradation Fund Scheme for modernisation of textile mills with effect from 1.4.1999 and providing subsidised interest rates as incentives to textile units for modernisation purposes, for changing old machinery and improving technology. I would like to know from the hon. Minister the details, including the capital earmarked for this purpose and why the scheme would start from 1.4.1999 instead of with immediate effect, as the textile industry is in a grave crisis.

SHRI KASHIRAM RANA: Sir, as per the decision of the Group of Ministers, the scheme is likely to became operative from 1st April, 1999.

SHRI SOLIPETA RAMACHANDRA REDDY: You are helpless because of the recommendation of the Group of Ministers. Otherwise, you are ready now.

SHRI KASHIRAM RANA: Sir, now, the Ministry of Textiles has been taking some steps just for the modernisation or to revive, the textile industry from the difficult position. The government is thinking of assisting those units which want to be modernised. Sir, this is a long process modernisation scheme. so, before that, in the Seventh Five-Year Plan, there was a Textile Modernisation Fund Scheme and the Government had spent nearly Rs. 900 crores. But, unfortunately, during the Eighth Five-Year Plan, the scheme had been prepared but not implemented because the IDBI denied financial assistance to the textile industry. So, this type of Technology Upgradation Fund, the Government has to decide upon. I think, after the approval of this scheme by the Cabinet Committee on Economic Affairs, the scheme will definitely come into force from Ist April.

SHRI SOLIPETA RAMACHANDRA REDDY: Sir, in view of the IDBI's denial to provide funds to the textiles industry, what steps are being taken by the Government to persuade the financial institutions and banks to show some flexibility so that the credit needs of the textile units for modernising the textiles industry are met with least difficulties? Secondly, how does the Government propose to raise funds for the modernisation of the 79 NTC mills whose package envisages an outlay of Rs. 2,500 crores?

SHRI KASHIRAM RANA: Sir, the second part of the question does not pertain to the original question. But so far as the first part of the question is concerned, various financial institutions like the IDBI...

SHRI SOLIPETA RAMACHANDRA REDDY: Did the IDBI agree?

SHRI KASHIRAM RANA: Yes. The IDBI has agreed. The IDBI, the SIDBI, the IFCI: these financial institutions have agreed to finance the Rs. 25,000 crores scheme and the Government has decided to set up a steering committee through which these funds will be distributed, according to the norms and the criteria formulated by this committee.

SHRI GOVINDRAO ADIK: Sir, with regard to the Rs. 25,000 crores scheme for technological upgradation and modernisation of the textile industry, it has been stated by the hon. Minister a number of times in this House and outside also, that the Government is considering the scheme. But so far, we have not yet known the particulars of this scheme,

as to what exactly it contains. From the reports that have appeared in the newspapers, we understand that it is only for the purpose of technical or technological upgradation of the textiles industry. But, at the same time, the hon. Minister speaks about modernisation, and now, while answering the question of the hon. Member in the House, he had said that the financial institutions are not coming forward to finance the modernisation plans of the textile units, whether they are public sector units or private sector mills. Now, we are in confusion. This creates a lot of confusion. We do not know whether the Rs. 25,000 crores scheme is meant for the modernisation of the existing textile industry or only for the technical or technological upgradation of the industry. What are the details thereof? We do not know. What does the Minister mean by technological upgradation? As far as modernisation is concerned, it is certainly a different thing. I would like to know whether this amount of Rs. 25,000 crores is going to be allotted to the textile units in the country for their modernisation, or whether they are meant for establishing some research institutions or otherwise. The hon. Minister has just now said that the NTC problem is not relevant to this question. I would like to know from the hon. Minister whether this amount of 25,000 crores is going to be spent on the modernisation of the NTC units or not. That is the first question. Secondly...

MR. CHAIRMAN: That is all right. Now, the question is over. Mr. Minister, you can answer the question.

SHRI KASHIRAM RANA: Sir, the Technological upgradation Fund is not meant for modernisation of the NTC mills that is, the National Textile Corporation Mills. But so far as the technological upgradation is concerned, it is purely for the technical or technological upgradation. Sir, the Government have identified some sectors in the textile indsutry and they are: weaving, knitting, processing and finishing units, including composite mills, the garment manufacturing sector, the cotton ginning and pressing sector as well as the jute industry these sectors would be eligible to avail of these concessional loans for their technological upgradation requirements. Sir, we have decided to have some nodal agencies for implementing this scheme. For the textile industry, excluding the powerloom and hosiery sectors, we have earmarked IDBI. It will definitely finance this industry. We have earmarked SIDBI for powerloom and garment manufacturing sectors. SIDBI will finance these sectors. We have also earmarked SIDBI for the cotton ginning and pressing sector and IFCI for the jute industry. SIDBI will finance the cotton ginning and pressing sector, and IFCI will finance the jute industry.

SHRI J. CHITHARANJAN: Sir, the hon. Minister has said in his reply that this amount is being utilised for technological upgradation of weaving, knitting, processing and powerloom sectors, but, at the same time, he has made a contradictory statement that it will not be applicable to the NTC. NTC is also having textile mills which are engaged in producing yarn, cloth and other materials. Then why can't the NTC be also provided a part of the amount which is required for modernisation?

Sir, another thing the Minister has stated is that this scheme will be launched with effect from 1.4.99. I would like to know from the hon. Minister what the idea of the Government to complete this scheme is within what period it will complete that, whether it will be three years or five years or ten years, and what the time-limit is.

SHRI KASHIRAM RANA: Sir, so far as the NTC mills are concerned, I want to clarify that the Government has different schemes to revive or modernise these NTC mills. The Government has appointed an expert team, the expert team has also submitted their report to the Government, and the proposal is now under consideration. I have earlier said in

this House that the Government is going to solve the difficult position of the NTC mills by a three-pronged strategy, and within a short time the Government will finalise this scheme, so far as NTC is concerned. As regards the period of this Technology Upgradation Fund. ...*(interruptions)*...

SHRI JIBON ROY: What about the scheme prepared by the technical team? A tripartite agreement was signed about that, and we had passed two Bills enabling the NTC to use the surplus land. What about that tripartite agreement?

MR. CHAIRMAN: Your name has not been called as the questioner. ...*(interruptions)*... That is all right. You can ask that later on. ...*(interruptions)*... You can't intervene now.

SHRI KASHIRAM RANA: Sir, so far as the period of Technology Upgradation Fund is concerned, I think, the limit of this scheme for repayment is spread over ten years.

श्री राघवजी: महोदय, देश का वस्त्र उद्योग भारी संकट में है और मैं माननीय मंत्री जी का इस बात के लिए आभार व्यक्त करना चाहता हूं कि 25 हजार करोड़ रुपए की स्कीम के साथ उस को सुधारने के लिए वे आगे आ रहे हैं बशर्ते कि उस कार्य की शुरुआत हो जाए। महोदय, सर्वाधिक रोजगार देने वाली वस्त्र उद्योग का आधुनिकीकरण होने के बाद इस बात की संभावना से इंकार नहीं किया जा सकता कि उस में मजदूरों की छटनी हो। तो मैं माननीय मंत्री जी से जानना चाहता हूं कि आधुनिकीकरण के बाद उन मजदूरों की स्थिति क्या होगी? क्या उन के रोजगार में कमी आएगी और अगर आएगी तो जिन लोगों की छटनी होगी, उन के लिए क्या प्रावधान इस स्कीम में किया गया है ताकि उन लोगों को आल्टरनेटिव रोजगार मिल सके?

श्री काशीराम राणा: सर, जो टेक्नोलोजी अपग्रेडेशन फंड है, वैसे तो फाइनेन्सियल एजेन्सी को जो फाइनेन्स करना है वह 25,000 करोड़ रुपए का है, लेकिन उसमें जो पांच पर्सेंट डिस्काउन्ट इन इंटरेस्ट, ब्याज में जो उसको कंसेशन मिलेगा, वह शायद 3000 करोड़ रुपए जैसा कंसेशन होगा। क्योंकि इन्सेंटिव देना है, इसलिए फंड में असिस्टेंस, फाइनेन्सियल असिस्टेंस के साथ उनके लिए इन्सेंटिव भी है ताकि वह टेक्नोलोजी अपग्रेडेशन या मोडर्नाइजेशन कर सकें। सर, जैसा आनरेबिल मैम्बर ने पूछा कि क्या इससे कामगारों की रिट्रेंचमेंट होगी, मैं कहना चाहूंगा कि यह जो मोडर्नाइजेशन फंड या टेक्नोलोजी फंड है, इससे हमें मानते हैं कि कामगारों को, मजदूरों को और रोजी मिलेगी। ऐसा नहीं है। यह स्कीम इसलिए बनाई गई कि जो अभी डिफिकल्ट पोजीशन है और जिसमें अनएंपलायमेंट की स्थिति पैदा होने जा रही है, इसको दूर किया जा सके। मुझे लगता है कि हमारा मजदूर इससे इतना स्किल्ट हुआ है पावरलूम में, कि हमें इसे दूर करने की या उसके रिट्रेंचमेंट होने की कोई संभावना नहीं है। सरकार मजदूरों की रोजी-रोटी के लिए संकल्पबद्ध है, इसलिए ज्यादा से ज्यादा मजदूरों की रोजी रोटी के लिए यह सरकार जरूर ख्याल रखेगी।

Damage Caused to Roads/ Bridges in Assam due to Floods

*224. DR. ARUN KUMAR SARMA: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) the total kilometers of National Highway and number of bridges damaged by floods in Assam during the last three years; the total kelometers of roads and the number of bridges actually repaired during the period;

(b) the length of National Highways in Assam requiring normal repair or imporvement to hold the communication intact;

(c) the estimated cost involved in (a) and (b) above; and

(d) the amount earmarked, amount utilised, progress made in the above works and arrangement made to meet the shortfall?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS AND THE MINISTER OF SURFACE TRANSPORT (SHRI M. THAMBI DURAI):(a) Out of 69 km. of road, 3 timber bridges and 8 culverts damaged by flood in the last 3 years excepting for 2 timber bridges which have been filled up with earth, others have been repaired.

(b) Entire length of 2331 km. of National Highways in Assam needs regular repair and maintenance.